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CleanTech Lithium PLC
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CleanTech Lithium PLC ("CleanTech Lithium" or the "Company")
Operations and Corporate Update
Resource Drill Programmes - Mobilisation Update
New Pro-Investment Policy Announcement in Chile

CleanTech Lithium PLC (AIM:CTL), an exploration and development company advancing the next generation of sustainable lithium projects in Chile, announces an operations update, the termination of the cooperation agreement with Beyond Lithium following the recently announced MOU with SunResin, and confirms a recent Government announcement in Chile of a new pro-investment action plan.

Highlights:

Laguna Verde Drilling Programme:

- With the end of the Chilean winter break period, mobilisation of equipment to Laguna Verde has started for:
  - Completion of sampling for the four well resource drill programme undertaken 1H 2022
  - Construction of access roads and the camp in preparation for the planned drilling of two new resource wells
- On completion of sampling an updated JORC resource estimate for the Laguna Verde project is expected in early Q1 2023
- On completion of the drilling of the planned two new resource wells, a further update of the JORC resource estimate is expected in Q2 2023

Francisco Basin Drilling Programme:

- A site visit by the drilling contractor and the Company is planned for next week, with mobilisation targeted before the end of October
- This resource drilling programme plans to complete three wells in addition to the one well completed in 1H 2022
- On completion of the drilling of the new wells, a further expansion and upgrade of the JORC resource estimate for the project is expected in Q2 2023

Llamara Exploration Well:

- At the Llamara Project, which is at a much lower elevation and does not have a winter break period, a site visit was made by the drilling contractor and the Company during September
- A geophysics programme is planned to commence soon which will inform the location of an exploration drill hole targeted for the current quarter once the licences have been granted, expected in the next two months

Other Operations and Corporate Update:

- Environmental Impact Assessment ("EIA"), and hydrogeological studies are advancing, including key staffing appointments made by the Company to facilitate progress
- The Scoping Study at Laguna Verde is nearing completion and a similar study has recently commenced on the Francisco Basin project

- The cooperation agreement with Beyond Lithium has been terminated in accordance with contract terms, with the first milestone of producing a 1kg sample of battery grade lithium having been successfully completed, as the Company has transitioned to working with SunResin as its primary processing partner. This will involve the award of 200,000 ordinary shares in the Company to Beyond Lithium in the near future, as per the terms of the agreement, and
- The Chilean Government has recently announced a new pro-investment strategy and action plan, to facilitate investment, fast track permitting and speed up the transition to a green economy.

Commenting, Aldo Boitano, Chief Executive Officer, of Cleantech Lithium PLC, said: *"We are delighted to move forward our field-work and resource drill programmes at all three of our projects. The recommencement of resource drilling at Laguna Verde and Francisco Basin is expected to result in increased and upgraded resource estimates for the two projects, while an exploration well, planned for the Llamara Project in the current quarter, once the licences have been granted, will test the large potential of the project.*

"We continue to maintain momentum on our other operational activities including the scoping studies, EIA and recently commenced hydrogeological studies, all through specialist contractors. We have expanded our operational team in Chile with key specialists to support these important activities. I am very pleased with progress made to date and look forward to keeping our shareholders updated over the coming months."

Further Information:

Laguna Verde Resource Drill Programme Mobilisation

At Laguna Verde the drilling contractor has mobilised equipment for re-installing the drilling camp and building access roads for planned new wells, while a compressor is expected to be mobilised today for the collection of brine samples from the four wells completed in 1H 2022, as shown in Figure 1. Wells LV01 - LV03 are to be resampled, along with LV04 which has not previously been sampled. This data will be used to generate an updated JORC resource estimate for the project, expected to be completed in early Q1 2023.

Two new resource drill holes have been planned, LV05 and LV06. Of the completed wells, LV03, which was drilled with an incline, was deeper and reached the closest distance to the footprint of the Laguna. LV03 recorded the highest lithium grades from the drilling programme to date, with the deepest four samples ranging from 349mg/L to 409mg/L lithium. Planned drill holes LV05 and LV06 are the ideal locations to target this deeper central area of the basin and the higher grades observed at depth.

LV05 and LV06 are infill drill holes which will allow for an upgrade in the resource category and based on the potential for improved grades, an increase in resource size. The two wells will have a significantly wider diameter (8-inch PVC casing) than holes LV01 - LV04, allowing for high flow rate pump tests required for final feasibility level hydrogeological modelling, and ultimately for conversion to production bores in a commercial stage operation.

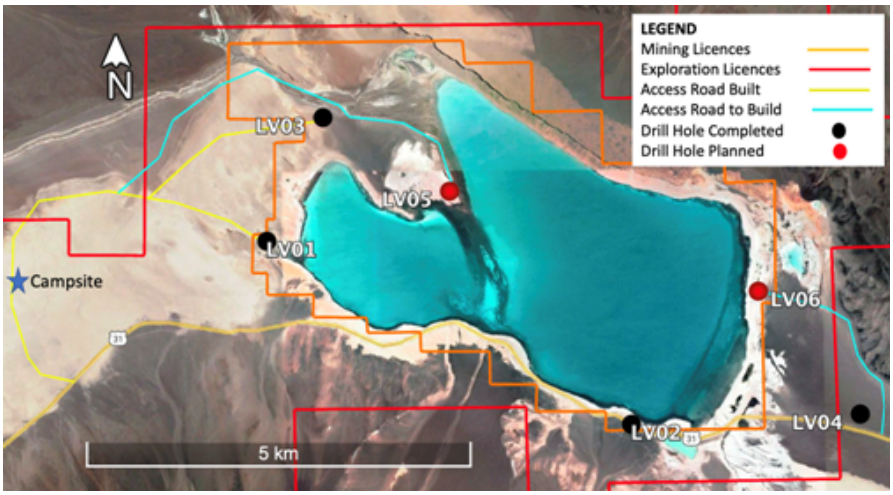


Fig. 1: Location of Completed and Planned Drill Holes at Laguna Verde

Franciso Basin Drill Programme Update

A site visit by the drilling contractor and the Company is planned for next week, with mobilisation targeted for the week of October 26. The first of four planned resource drill holes, FB01 as shown in Fig. 2, was completed before the Chilean winter break in exploration activities. The results from FB01 provided the basis for the recently announced maiden JORC Inferred resource estimate of 0.53 million tonnes lithium carbonate equivalent ("LCE") at a lithium grade of 305mg/L.

Three additional wells are planned to be completed in 2022, with the drilling programme recommencing from FB02 which has already been drilled to a depth of 106.5m. On completion of the four holes, the resource estimate is expected to be significantly increased and upgraded to Measured and Indicated. Similar to the Laguna Verde well design, the planned holes will be installed with 8-inch diameter PVC casing allowing for high flow pump tests and conversion to production bores.

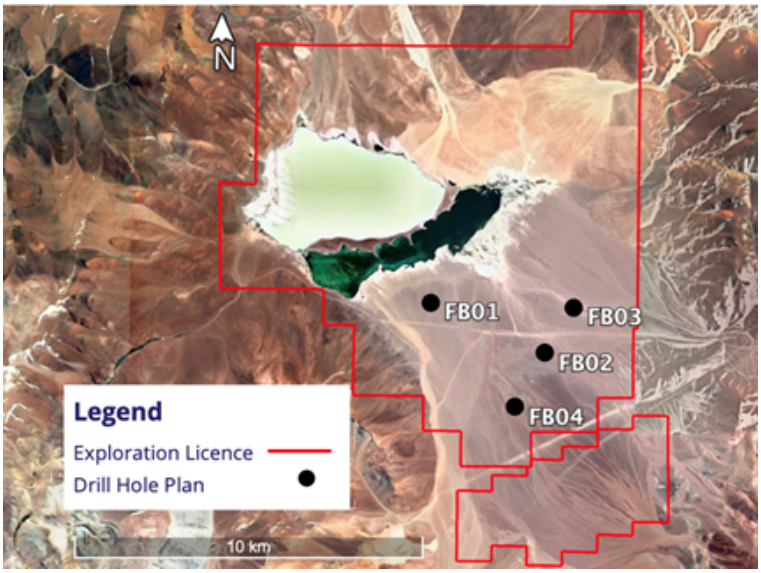


Fig. 2: Francisco Basin Drill Plan Map - FB01 already completed

Llamara Project Update

A site visit by the drilling contractor and the Company was undertaken in early September to understand the local services and infrastructure available for the project, and assess ground conditions for future drilling activities. The project lies within 20km of the small mining services town of Quillagua. In the north of the licence area a paved

highway runs adjacent to the licences. The project area is a flat barren landscape as shown in Fig. 3, with relatively favourable ground conditions for drilling.

The Company has identified a number of preliminary targets for the first exploration hole. These targets will be further assessed with a geophysics programme, based on a transient electromagnetic survey, which is planned to commence this month. The exploration licence applications comprising the Llamara Project are pending and the Company´s land manager estimates they should be granted by the end of November 2022. The drilling contractor is ready to mobilise, once the licences are granted, and the target remains to commence the maiden exploration drill hole at the project in the current quarter.



Fig. 3: View of the Llamara Project Licence Area Looking North-East

Feasibility, Environmental and Hydrogeological Studies Update

The currently underway Scoping Study for the Laguna Verde project is now advanced and is expected to be completed in the coming weeks. For the Francisco Basin project, following the recent maiden JORC estimate, it was decided to immediately progress to a scoping study which has now commenced and is expected to be completed in Q1 2023.

Base line studies for the EIAs, which commenced at both projects in April, are on-going with site surveys to start on November 2. The Company has engaged a full-time Environmental Manager and also a Community Relations Manager who is based in Copiapo, to facilitate the environmental work and engage with regional, including indigenous communities, respectively.

After a tendering process the Company engaged SGA S.A. Chile, a leading local environmental sciences consultant, to undertake the Company´s hydrogeological studies programme. This will culminate in a hydrogeological study and modelling that are key inputs into the EIA, feasibility studies and ultimately the life of mine plan for the projects. A full-time hydrogeologist has been added to the Company´s local technical team to facilitate this work.

Beyond Lithium

The cooperation agreement with Beyond Lithium, the Chilean-Argentinian based DLE technical service provider, which was highlighted in the admission document as part of the Company's listing to AIM in March 2022, outlined the terms of the planned collaboration between the parties (CleanTech and Beyond Lithium, together the "Parties") to deliver a DLE pilot plant across three project delivery milestones. The Company subsequently announced the signature of a memorandum of understanding ("MOU") with SunResin New Materials Co. Ltd

("SunResin") in late August and further announced on 13 October the ordering of a small scale Direct Lithium Extraction ("DLE") demonstration unit and that the Company had received a highly attractive proposal from SunResin for the DLE unit of a pilot plant - which intends to produce 1 tonne per month of battery grade lithium carbonate and lithium hydroxide, targeted to commence in 1H 2023. Following the formal completion of the first of the above-mentioned milestones, a key condition of which was the successful production of 1kg sample of battery grade lithium which the Company announced on 8 June 2022, the Parties have now agreed to bring an end to the cooperation agreement with Beyond Lithium. The new relationship with SunResin on DLE pilot plant activities means that a different business relationship with Beyond Lithium is now required going forward to support the Company's DLE processes. The Company has therefore terminated the cooperation agreement, as permitted at any time without cause.

In recognition of the successful delivery of the first milestone by Beyond Lithium and, importantly of the successful production of 1kg sample of battery grade lithium, the Company will issue 200,000 ordinary shares at market price ("Milestone Shares") and make a final payment of USD $50,000 (the "Milestone Payment") to Beyond Lithium in the near future. The issuing of the Milestone Shares and the Milestone Payment is in accordance with the cooperation agreement and the Company will confirm when the ordinary shares have been issued.

Chilean Government Announces "Let´s invest in Chile" Action Plan

The "Let´s Invest in Chile" action plan was announced in early October 2022 by the new Chilean President. The plan includes six policy positions outlined as:

- Tax incentives for private investment
- Improving access to financing
- Public investment in infrastructure for development
- Promoting foreign investment
- Creating one-stop-shop for permitting, and
- Promoting public-private partnerships for investment

In announcing the measures Chile´s Treasury Minister, Mr Mario Marcel, stated "***It is fundamental to create the conditions for investment to grow. President Boric has tasked us with pushing forward an ambitious agenda, which would allow us to stimulate investment, generating employment, but which at the same time allows us to speed up the transition to a green economy."***

The new Government has emphasised lowering the environmental impact and CO2 emissions of mining as a key priority. CleanTech Lithium´s strategy of utilising DLE and renewable energy based processing aligns perfectly with the Government's agenda for the lithium industry. The Company continues to maintain a very active and positive dialogue with representatives of the Government and relevant regulatory and Government bodies with the intent of obtaining the required production permits to enable lithium production to commence at the Company's projects from 2025 onwards.

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The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon publication of this announcement, this inside information is now considered to be in the public domain. The person who arranged for the release of this announcement on behalf of the Company was Gordon Stein, Director and CFO.

Notes

CleanTech Lithium (AIM:CTL) is an exploration and development company, advancing the next generation of sustainable lithium projects in Chile. The Company's mission is to produce material quantities of battery grade lithium from 2025 onwards, with near zero carbon emissions and low environmental impact, offering the EU EV market a green lithium supply solution.

CleanTech Lithium has two prospective lithium projects - Laguna Verde and Francisco Basin projects located in the lithium triangle, the world's centre for battery grade lithium production. They are situated within basins entirely controlled by the Company, which affords significant potential development and operational advantages. The projects have direct access to excellent infrastructure and renewable power. The Company has also further applied for an additional 119 exploration licences at Llamara, as a low cost and commitment greenfield project to complement the existing more advanced projects.

CleanTech Lithium is committed to using renewable power for processing and reducing the environmental impact of its lithium production by utilising Direct Lithium Extraction. Direct Lithium Extraction is a transformative technology which only removes lithium from brine, with higher recoveries and purities. The method offers short development lead times, low upfront capex, with no extensive site construction and no evaporation pond development so there is no water depletion from the aquifer or harm to the local environment.

****ENDS****

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